

Message Text

UNCLASSIFIED

PAGE 01 STATE 207432

50

ORIGIN EB-11

INFO OCT-01 EUR-25 ISO-00 AS-01 XMB-07 RSC-01 PA-04 PRS-01

USIA-15 COME-00 AGR-20 CIEP-03 FRB-03 TRSE-00 OMB-01

/093 R

66653

DRAFTED BY:AMOHANIAN/RLS

APROVED BY: EB/OCA/REP:BEBYRON

WWGLICK:ACTING EXECUTIVE VICE PRES

EB/IFD/ODF:EMLINTON

----- 089628

R 201406Z SEP 74

FM SECSTATE WASHDC

TO AMCONSUL MONTREAL

AMCONSUL QUEBEC

INFO AMEMBASSY OTTAWA

UNCLAS STATE 207432

E.O. 11652: N/A

TAGS: APUB, CA

SUBJ: PRESS RELEASE ON EXIMBANK CREDIT TO CANADA

FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE
DIRECT CREDIT OF DOL 4.1 MILLION TO DOMINION TEXTILE LIMITED
OF MONTREAL, CANADA. RELEASE IS SCHEDULED FOR ANNOUNCEMENT HERE
IN WASHINGTON, D.C. FOR A.M. PAPERS,
WEDNESDAY, OCT 2, 1974.

QUOTE: EXIMBANK CREDIT OF DOL 4.1 MILLION SUPPORTS
DOL 9,154,200 SALE OF U.S. TEXTILE MACHINERY TO CANADA

TO HELP FINANCE A DOL 9,154,200 SALE OF U.S. TEXTILE MACHINERY
TO CANADA, THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK
OF THE UNITED STATES HAS AUTHORIZED A DIRECT CREDIT OF DOL 4.1
MILLION TO FINANCE 44.8 PERCENT OF THE TOTAL U.S. COSTS,
ACCORDING TO EXIMBANK'S CHAIRMAN WILLIAM J. CASEY. A CREDIT
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 207432

OF DOL 4.1 MILLION FROM BANK OF MONTREAL WILL FINANCE ANOTHER

44.8 PERCENT OF THE TOTAL U.S. COSTS. THE OBLIGOR, DOMINION TEXTILE LIMITED OF MONTREAL, CANADA, WILL MAKE CASH PAYMENT OF THE BALANCE OF THE U.S. COSTS OF 10.4 PERCENT OR DOL 954,200.

DOMINION TEXTILE IS PLANNING A LARGE EXPANSION AND MODERNIZATION OF THEIR TEXTILE MILLS WITH THE PRODUCTION OF A WIDE VARIETY OF TEXTILE PRODUCTS INCLUDING CLOTH, APPAREL FABRIC, UNDERWEAR, BLANKETS AND KNITTED FABRIC FOR INDUSTRIAL USE. A LARGE NUMBER OF U.S. SUPPLIERS WILL RECEIVE ORDERS FOR TEXTILE MACHINERY, EQUIPMENT AND FACILITIES.

DOMINION TEXTILE IS AN OLD WELL-ESTABLISHED CANADIAN TEXTILE MANUFACTURER THAT EMPLOYS SOME 12,000 PEOPLE AND OPERATES 31 MILLS IN CANADA. EQUIPMENT BEING FINANCED WITH THE PROCEEDS OF THE CURRENT FINANCING WILL BE USED IN 10 OF THE MILLS.

THE LOANS ARE TO BE REPAYED IN 4 SCHEDULES OF 14 SEMIANNUAL INSTALLMENTS BEGINNING JAN 5, 1976, JUL 5, 1976, JAN 5, 1977, AND JUL 5, 1977, RESPECTIVELY. EXIMBANK'S DIRECT CREDIT OF DOL 4.1 MILLION IS TO BE REPAYED OUT OF THE LAST 7 INSTALLMENTS OF EACH SCHEDULE AT AN INTEREST RATE OF 7 PERCENT PER ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT TO BE EXTENDED BY PRIVATE SOURCES RESULTS IN AN ESTIMATED INTEREST COST TO THE BORROWER OF ABOUT 8.58 PERCENT TO 8.83 PERCENT PER ANNUM. UNQUOTE KISSINGER

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a

Control Number: n/a
Copy: SINGLE
Draft Date: 20 SEP 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:

Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:

Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:

Disposition Remarks:
Document Number: 1974STATE207432
Document Source: CORE

Document Unique ID: 00
Drafter: AMOHANIAN/RLS
Enclosure: n/a
Executive Order: N/A

Errors: N/A
Film Number: D740264-1043

From: STATE
Handling Restrictions: n/a
Image Path:

ISecure: 1

Legacy Key: link1974/newtext/t19740927/aaaaawnk.tel

Line Count: 89

Locator: TEXT ON-LINE, ON MICROFILM

Office: ORIGIN EB

Original Classification: UNCLASSIFIED

Original Handling Restrictions: n/a

Original Previous Classification: n/a

Original Previous Handling Restrictions: n/a

Page Count: 2

Previous Channel Indicators:

Previous Classification: n/a

Previous Handling Restrictions: n/a

Reference: n/a

Review Action: RELEASED, APPROVED

Review Authority: kellerpr

Review Comment: n/a

Review Content Flags:

Review Date: 19 MAR 2002

Review Event:

Review Exemptions: n/a

Review History: RELEASED <19 MAR 2002 by maustmc>; APPROVED <05 JUL 2002 by kellerpr>

Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:

Review Referrals: n/a

Review Release Date: n/a

Review Release Event: n/a

Review Transfer Date:

Review Withdrawn Fields: n/a

Secure: OPEN

Status: NATIVE

Subject: PRESS RELEASE ON EXIMBANK CREDIT TO CANADA FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE

TAGS: APUB, CA

To: MONTREAL QUEBEC

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005